

DRAFT
MSBip (10 June 1963)

MEMORANDUM FOR THE DIRECTOR

SUBJECT: NRO Organization

1. On 2 May 1962 a DCD/CIA agreement on NRO was effected. This agreement did not work out satisfactorily and it was accordingly renegotiated by a new agreement dated 13 March 1963. Although this agreement is still in full effect, directives signed by Dr. McMillan, Terms of Reference signed by Colonel Martin, and recent draft memoranda proposed by Mr. Gilpatric have all served to indicate the clear intent of the Department of Defense to abrogate the latest NRO agreement still only three months old. The most recent correspondence from Mr. Gilpatric dated 29 May with an enclosure dated 31 May (subsequently amended by a memorandum of 4 June) is the problem presently under discussion. Mr. Gilpatric states, "Enclosed are copies of a memorandum with its attachments which I am sending to the Chairman of the Joint Chiefs of Staff... No final action on these matters will take place until I have heard from you with regard to them."

2. Your memorandum for the record of discussions with Mr. Gilpatric, 4 June, is a clear-cut statement of what the CIA

OSD REVIEW COMPLETED

NRO review(s) completed.

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position must be and of what your position as Director of Central Intelligence for the United States Government must be. Mr. Gilpatric pointed out the undesirability of raising this basic issue at this time and accordingly you agreed to suggest amendments and changes to the Gilpatric attachments.

3. The General Counsel, at your direction, has prepared a memorandum which attempts to conform to your agreement not to raise the basic issues and suggests changes to the Gilpatric attachments in order to protect our interests. These have not yet been discussed with Dr. Scoville but have been seen by members of his staff.

4. I have personally reviewed this entire problem and am of the firm opinion that you cannot place yourself in the position of "negotiating" on the new proposals, nor can you, as DCI, accept a caveat designed to protect CIA interests only. Everything in the new Gilpatric proposals is a clear downgrading of CIA activities and responsibilities, and takes away from the Director of Central Intelligence his prime responsibility for intelligence collection by any and all means. As a matter of fact, the phraseology is such that the Director of Central Intelligence is personally downgraded, in

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some cases by omission, in others by position. There is absolutely no question in my mind that these past and present actions indicate a direct and immediate move to get you and the CIA entirely out of the aerial reconnaissance business, and I do not think we can stand for this for another day.

5. I know of no events or incidents which would require any immediate change in our present operating procedures -- i.e., the Joint Chiefs of Staff and the Joint Reconnaissance Center continuing business along their present lines, and the DOD/CIA continuing business in accordance with the terms of the basic NRO agreement of 13 March 1963. Insofar as the CIA is concerned, however, we have failed to do what we should have done under that basic agreement in order to go forward with a proper program and insert ourselves into the NRO organization where we should be. Certainly we have been effectively blocked at every attempt to do so. This was a failure (or success) of people rather than a failure of the system.

6. I therefore propose that you indicate to Mr. Gilpatric that you are not prepared to accept the JRC into the NRO organization now, that you are not prepared to accept any alterations to the basic agreement of 13 March 1963, that you will not accept policy directives

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from the Director, NRO, nor will you accept limitations on the full Deputy responsibilities of the CIA Deputy. That in the event Mr. Gilpatric does not choose to go along with this, then it is mandatory that the basic issue be raised at once at the highest level. All of this should be told to Mr. Gilpatric orally and in private.

7. A letter for your signature to Mr. Gilpatric responding to his memoranda of 29 May and 4 June is attached. I recommend that you sign it.

MSC

DRAFT
MSC:blp (10 June 1963)

MEMORANDUM FOR MR. GILPATRIC

1. Your memorandum of 29 May 1963 forwarded to me copies of a memorandum concerning NRO, with its attachments, which you indicate you are sending to the Chairman of the Joint Chiefs of Staff, and on which you have asked my views.
2. I know of no event or incident which indicates that a necessity now exists to alter the terms of our basic NRO agreement of 13 March 1963, or to inject into NRO the additional and most complicating factor of the JCS/JRC. There have been disagreements between our people on implementation of the NRO agreement -- I think these have been caused by people and their inadequacies rather than by inadequacies in the agreement itself. As I have indicated to you orally, I am taking immediate action to designate a full-time Deputy Director of NRO, with appropriate staff support. This Deputy Director will operate as a true Deputy in the chain of command and in accordance with the terms of our basic agreement.
3. We simply have not given our two agencies the opportunity to get themselves organized on a truly joint basis to properly establish adequate management of the National Reconnaissance Program. Until this is done, I am unable to accept substantive changes in the basic

agreement or the addition of new operating complexes into the responsibilities of the Director and Deputy Director of NRO. Accordingly, I cannot agree to your proposed major operational changes to our National Reconnaissance Program.

John A. McCone
Director